

# Department of State Health Services

## Response to House Committee on Appropriations

### Request for Information – Oct. 2020

#### Interim Charge 4: SAO Audit Responses

##### Introduction

The Department of State Health Services (DSHS) underwent two audits from the State Auditor's Office (SAO.) One was specific to DSHS, covering Manufactured Foods. The other was a portion of the State of Texas Federal Portion of the Statewide Single Audit Report for the Year Ended August 31, 2018, which was completed in February 2019.

DSHS requested two exceptional items related to these audit findings as part of the DSHS Legislative Appropriations Request for FY22-FY23. DSHS is requesting staffing for food safety and fiscal management staff in response to these audits.

##### Manufactured Foods (20-021)

The State Auditor's Office looked at five issue areas related to the inspection processes for food facilities monitored by DSHS.

One item was identified as a high level issue, three were identified as medium level issues, and one item was identified as a low level issue. Below are DSHS actions following the audit findings.

##### Chapter 1 A

- **SAO Conclusion:** While the Department Performed Inspections for a Majority of Manufactured Food Program Facilities Within Targeted Timeframes, It Did Not Identify All Facilities Required to be Inspected – High Risk Rating
- **DSHS Work in Response:**
  - DSHS formed and established work groups established a timeline for implementation of the following items outlined in the DSHS Response in the SAO audit:
    - Review risk ratings/inspection timelines
    - Develop tools to develop an annual program work plan with quarterly review processes
    - Evaluate current licensure database to ensure record accuracies, opportunities to incorporate license modifiers to assist in work planning process
    - Analyze potential changes to license applications to potentially prioritize new facility inspections
    - Review/revise Foods Group procedure manual
- **Timeline:** Completion expected March 2021.

##### Chapter 1 B

- **SAO Conclusion:** The Department Established Manual and Automated Processes to Help Assign Risk Ratings; However, Those Processes Did Not Consistently Work as Intended – Medium Risk Rating
- **DSHS Work in Response:**

- As included in the SAO Audit report, DSHS has addressed possible causes for the computerized program issues. Corrections to the program have already been implemented and work plans were put in place to verify the automated risk update tool was operating as intended during November and December 2019.
- DSHS is developing a procedure to designate a responsible party to conduct a quarterly check of the automated risk assessment job to ensure risk is accurately updated, etc.
- **Timeline:** DSHS is updating the Foods Group Procedural Manual currently. Completion expected March 2021.

## Chapter 2

- **SAO Conclusion:** The Department Followed Its Enforcement Processes Related to the Violations That It Identified – Low Risk Rating
- **DSHS Work in Response:**
  - As noted in the SAO audit, DSHS has worked with IT to update processes to mimic current business practices and protocols. This will result in better information flowing through the database used for enforcement activities (e.g. enforcement status, case closures marked appropriately and accompanying notes).
  - DSHS has also already addressed continuity in monitoring cases upon employee separation from DSHS through active monitoring.
- **Timeline:** Completed July 2019.

## Chapter 3

- **SAO Conclusion:** While the Department Followed Its Complaint Investigation Policies, It Should Strengthen Its Documentation of Complaints – Medium Risk Rating
- **DSHS Work in Response:**
  - Work groups will be formed and a timeline established for implementation of the following items outlined in the DSHS Response in the SAO audit:
    - Updating procedures to correctly identify, refer, etc. complaints in compliance with DSHS policies.
    - Feasibility analysis of alternative investigation techniques, tracking procedures, and related manual updates.
- **Timeline:** Completed August 2020.

## Chapter 4

- **SAO Conclusion:** The Department Should Improve Its Information Technology Controls – Medium Risk Rating
- **DSHS Work in Response:**
  - A comprehensive review of licensure database accounts will be conducted by IT Identity Access Management (IAM) team
    - IT will provide a list of current RAS user accounts information
    - CPD (as well as HHSC Regulatory staff) will review and verify the users and indicate actions needed.
    - This review will be conducted on an annual basis going forward.
  - IT will implement licensure database account provisioning and account certification.
- **Timeline:**

- DSHS completed responsive IT measures that can be addressed with existing funds as of Summer 2020.

### Federal Portion of Statewide Single Audit Report (19-315)

The scope of the statewide single audit focused on DSHS management of certain HIV programs.

#### HIV Care Cash Management

- **SAO Conclusion:** The SAO recommended improvements to the reimbursement process so that reimbursement requests could be reviewed by someone other than the reimbursement preparer prior to submitting a request to the Health Resources and Services Administration (HRSA).
- **DSHS Work in Response:** DSHS agreed to this improvement suggestion and is working to ensure review of reimbursement requests and related supporting documentation are reviewed by persons other than the reimbursement requester.
- **Timeline:** DSHS completed the process to fully respond to this issue as of July 29, 2019.

#### HIV Care Eligibility

- **SAO Conclusion:** The SAO recommended DSHS should analyze the existing HIV program recipient database to ensure accurate enrollment and re-certification dates.
- **DSHS Work in Response:** DSHS is making improvements to this process, which involves replacing the database that contains this information (HIV2000) so that quality assurance and other functions may occur with greater ease. As the database replacement process is in progress, DSHS is running monthly reports to identify candidates in need of recertification.
- **Timeline:** DSHS continues to run monthly reports until a long-term solution is identified.